

# Equity Markets

## *Monthly Update*

# Table of Contents

Section	Page
1. <b>Global Equity Markets Overview</b>	2
2. <b>GCC Equity Markets Overview</b>	4
3. <b>Kuwait Market Overview</b>	7

Section 1

# Global Equity Markets Overview

# Global Equity Market – Summary

Global Equity Markets	Index Closing*	Net Change (Points)		M-o-M (%)	YTD (%)	Market Cap (USD Billion)	52 Week High	52 Week Low	P/Ex
		M-o-M	Y-o-Y						
Dow Jones Ind Avg Index	29,638.64	3,137.04	1,100.20	▲ 11.84	▲ 3.86	9,495.28	30,218.26	18,213.65	23.48
S&P 500 Index	3,621.63	351.67	390.85	▲ 10.75	▲ 12.10	32,508.47	3,699.20	2,191.86	28.69
FTSE 100	6,266.19	688.92	(1,276.25)	▲ 12.35	▼ -16.92	1,882.60	7,689.67	4,898.79	17.24
STOXX Europe 600	389.36	47.00	(26.48)	▲ 13.73	▼ -6.37	10,779.69	433.90	268.57	21.45
German Dax Index	13,291.16	1,734.68	42.15	▲ 15.01	▲ 0.32	1,213.99	13,795.24	8,255.65	23.77
Hang Seng Index	26,341.49	2,234.07	(1,848.26)	▲ 9.27	▼ -6.56	26,815.77	29,174.92	21,139.26	14.36
S&P GCC Composite Index	113.27	8.57	(2.79)	▲ 8.18	▼ -2.41	893.63	117.89	82.47	14.75

Source: Thomson Reuters; Month-On-Month (M-o-M); Year on Year (Y-o-Y)

\*As of: 30-Nov-20

- Major global equity markets have recorded double digit gains during the month of November. From the table above; the German DAX top performer with 15.01% gains on monthly basis. The US Dow Jones was up 11.84% while the S&P500 recorded 10.75% gains during the same period.
- With the elections results confirmed the US markets rallied recording higher high-low. The Dow Jones made an upward breakout from its resistance levels 28,00-29,000 which now act as support levels. The Index has continued to move upwards since then and is likely to test resistance levels of 30,000 as we write. Same applies to the S&P500 Index which has made an upward breakout from resistance of 3,500-3,600 levels and is already testing 3,700 levels which is the immediate resistance
- Key themes for the month of December include the developments regarding the usage of the COVID-19 vaccine and the surge in infections; the BREXIT negotiation outcomes. And the US and ECB stimulus / spending packages.

Section 2

# GCC Equity Market Overview

# GCC Equity Market – Summary

GCC Equity Markets	Index Closing*	M-o-M (%)	YTD (%)	Mcap (USD Billion)	52 Week High	52 Week Low	Valuations*			
							PEx	PBx	ROE	Div Yld
Kuwait - Premier Market Index	6,008.59	▲ 0.08	▼ -13.87	78.19	7,172.32	4,498.65	20.41	1.70	8.34%	3.45%
Kuwait - Main Market Index	4,373.18	▲ 0.95	▼ -10.95	27.71	4,932.47	3,965.63				
Kuwait - All Share Index	5,459.49	▲ 0.30	▼ -13.10	105.90	6,416.43	4,339.58	21.05	1.46	6.92%	3.58%
Saudi Arabia	8,747.09	▲ 10.61	▲ 4.27	2,479.50	8,747.09	5,959.69	30.27	5.14	16.97%	3.77%
Abu Dhabi	4,964.94	▲ 6.54	▼ -2.18	196.85	5,256.06	3,304.36	15.09	1.56	10.32%	4.60%
Dubai	2,419.60	▲ 10.59	▼ -12.49	71.10	2,879.38	1,663.70	10.50	1.24	11.84%	4.02%
Qatar	10,262.10	▲ 5.89	▼ -1.57	146.26	10,727.99	7,997.05	17.21	1.53	8.89%	3.67%
Bahrain	1,477.51	▲ 3.53	▼ -8.24	20.76	1,669.64	1,226.91	-	-	-	-
Oman	3,643.52	▲ 2.41	▼ -8.48	11.29	4,200.65	3,367.32	8.73	0.67	7.63%	7.71%
<b>Total GCC</b>				<b>3,031.67</b>			<b>25.89</b>	<b>3.55</b>	<b>13.73%</b>	<b>3.82%</b>

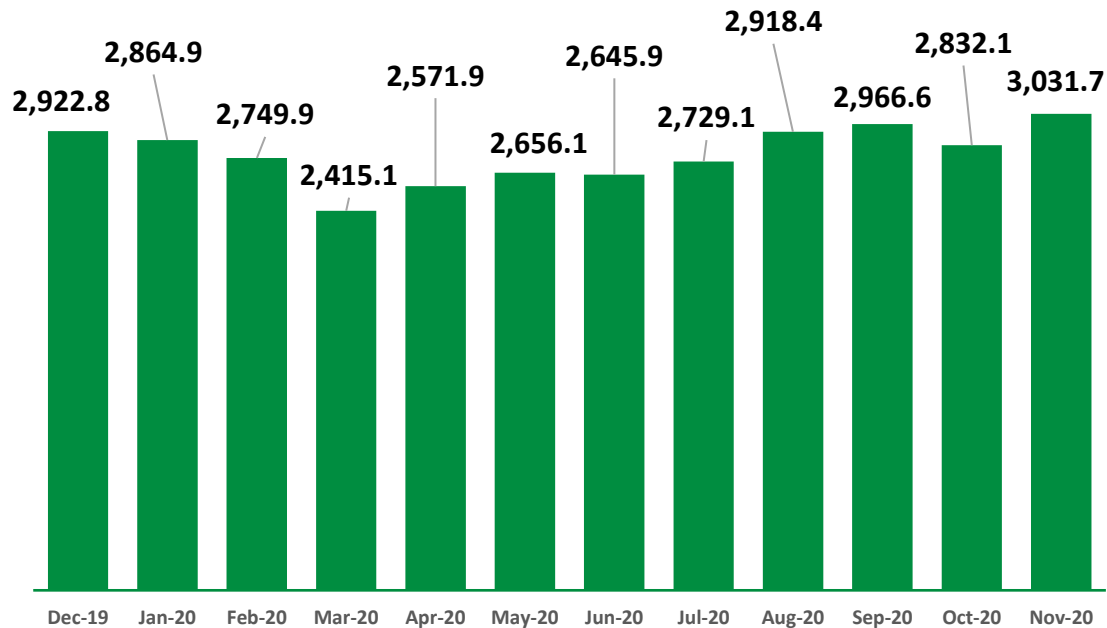
Source: Thomson Reuters; \*Valuations are based on TTM Earnings and Most recent Shareholders Equity

\* As of 30-Nov-20

- Among the GCC markets all the regional indices closed in green with the Saudi based Tadawul All Share Index (TASI) being the top performer with 10.61% gains on monthly basis followed by Dubai DFMGI Index with 10.59% gains. The positive close of the indices was in correlation with the increase in crude oil prices
- The monthly average price for the Brent Crude was at USD 43.98 per barrel which is an increase of 5.91% compared to the previous month average price of USD 41.52 per barrel. On monthly basis the Brent Crude has moved upwards past key resistance level of USD 45 per barrel which acts as the new support while the immediate resistance is USD 50 per barrel mark

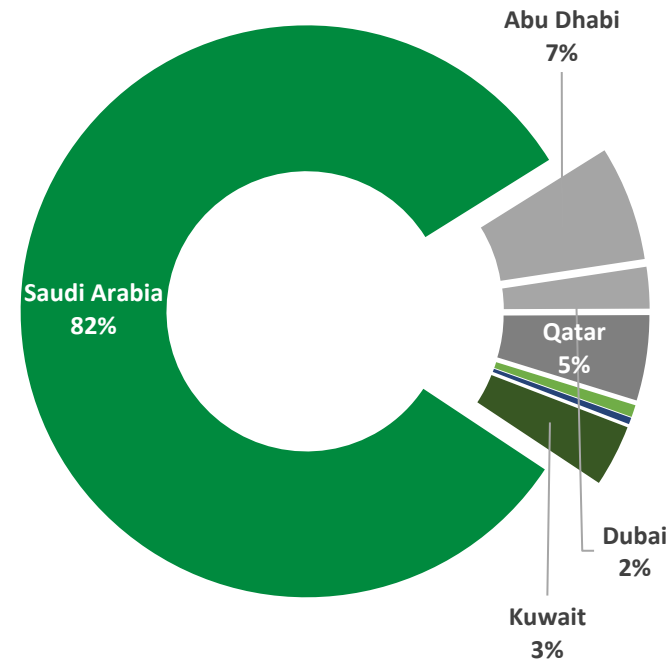
# GCC Equity Market – Summary

GCC Market Capitalization (USD Billion) \*



\* Source: Thomson Reuters;

Market Capitalization – Contribution by Country



- The GCC market capitalization crossed the USD 3 trillion mark during the month of November. The month on month gain in market capitalization was 7.05%. The rise in market value was due to exceptional performance among regional blue-chip stock prices like the Saudi based Al Rajhi Bank which saw its price move up 13.68% on monthly basis. While amongst the petrochemicals SABIC saw its price move up by 7.67%; similarly, Saudi Arabian Oil Co (ARAMCO) saw its prices increase by 6.82% on monthly basis

Section 3

# Kuwait Market Overview



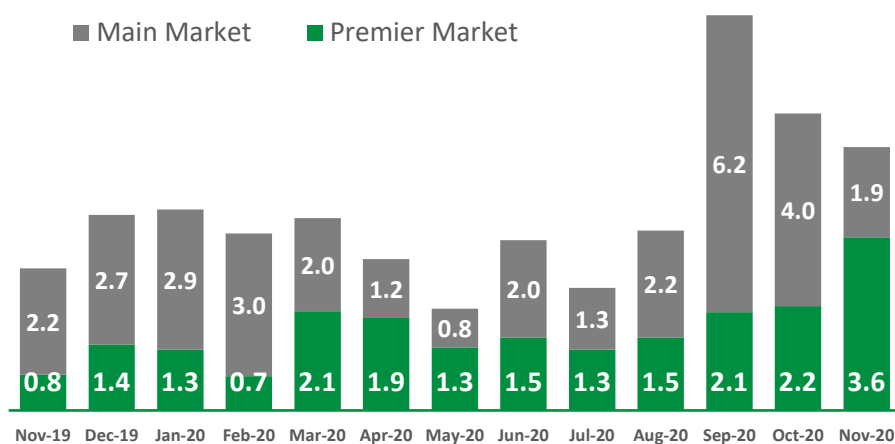
# Kuwait Market Overview – November 2020

Volume (Million Shares)	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	2020	YTD Daily Average
Premier Market	1,278.47	716.41	2,083.81	1,942.41	1,324.54	1,533.12	1,276.79	1,533.03	2,059.44	2,190.09	3,632.79	19,570.89	89.36
Main Market	2,937.58	2,996.14	1,951.35	1,231.73	808.78	2,034.31	1,295.96	2,239.49	6,225.72	4,034.62	1,888.54	27,644.23	126.23
All Share	4,216.05	3,712.55	4,035.16	3,174.14	2,133.31	3,567.43	2,572.75	3,772.52	8,285.16	6,224.71	5,521.34	47,215.12	215.59

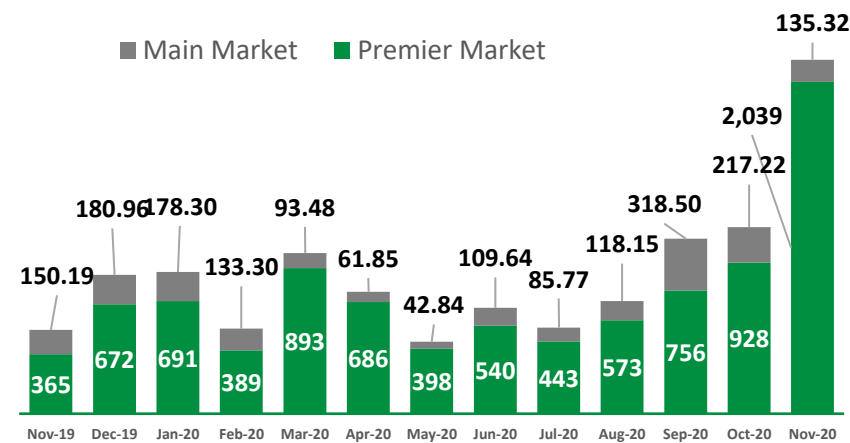
Value (KWD Million)	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	2020	YTD Daily Average
Premier Market	691.15	388.94	893.33	685.52	398.14	539.77	442.93	572.70	756.17	927.88	2,038.61	8,335.14	38.06
Main Market	178.30	133.30	93.48	61.85	42.84	109.64	85.77	118.15	318.50	217.22	135.32	1,494.36	6.82
All Share	869.45	522.24	986.82	747.37	440.98	649.41	528.70	690.84	1,074.67	1,145.10	2,173.92	9,829.50	44.88

Source: Thomson Reuters

Market Volume ( Billion Shares)



Market Value ( KWD Million)



# Kuwait Premier Market – Overview

Kuwait Premier Market Snapshot				
Company Name	Current Valuation*			
	PE <sub>x</sub>	PB <sub>x</sub>	ROE	Div Yld
Boubyan Petrochemical Company KSCP	27.17	1.24	4.58%	7.85%
Mobile Telecommunications Company KSCP	13.69	2.14	15.65%	4.91%
Human Soft Holding Company KSCP	13.78	5.26	38.17%	4.84%
Integrated Holding Co KSCC	NEG	1.29	-1.08%	10.66%
Qurain Petrochemical Industries Company KSCP	8.17	0.87	10.63%	4.13%
Ahli United Bank BSC	11.05	1.56	14.09%	5.09%
Burgan Bank KPSC	11.08	0.63	5.65%	5.51%
National Industries Group Holding KPSC	(6.28)	0.81	-12.84%	5.79%
Mezzan Holding Company KSCP	28.65	1.73	6.05%	2.60%
Gulf Bank KSCP	15.01	1.07	7.15%	4.34%
Kuwait International Bank KSCP	48.51	0.67	1.37%	4.33%
National Bank of Kuwait SAKP	21.79	1.61	7.39%	3.73%
Kuwait Projects Company Holding KSCP	11.11	0.79	7.15%	5.55%
KUWAIT FINANCE HOUSE K.S.C.P	32.69	2.72	8.32%	2.40%
Agility Public Warehousing Co KSCP	25.32	1.25	4.95%	1.59%
Mabane Company KPSC	31.83	1.59	5.01%	1.54%
Boubyan Bank KSCP	43.62	2.93	6.71%	1.09%
Warba Bank KSCP	NEG	1.42	-2.57%	0.00%
Shamal Az-Zour Al-Oula Power and Water Company	25.43	4.08	16.06%	0.00%
Boursa Kuwait Securities Company KPSC	9.45	6.24	66.01%	0.00%
<b>Premier Market Valuations</b>	<b>20.41</b>	<b>1.70</b>	<b>8.34%</b>	<b>3.45%</b>

Valuations are on TTM Basis

\*As of 7-Dec-20

Note: Valuation parameters of stocks below the market valuations are highlighted in green

# Kuwait Premier Market – Weekly Candlestick Chart

Weekly [BKP List 1 of 21] .BKP

2/14/2019 - 1/21/2021 (RY)

CndL, .BKP, Trade Price, 12/10/2020, 6,132.44, 6,145.30, 6,091.63, 6,138.93, +37.70, (+0.62%), SMA, .BKP, Trade Price(Last), 20, 12/10/2020, 5,989.50

1. The KSE Premier Index continued to remain volatile during the month as it closed at 6,008.59 up marginally 0.08% (4.60 points).

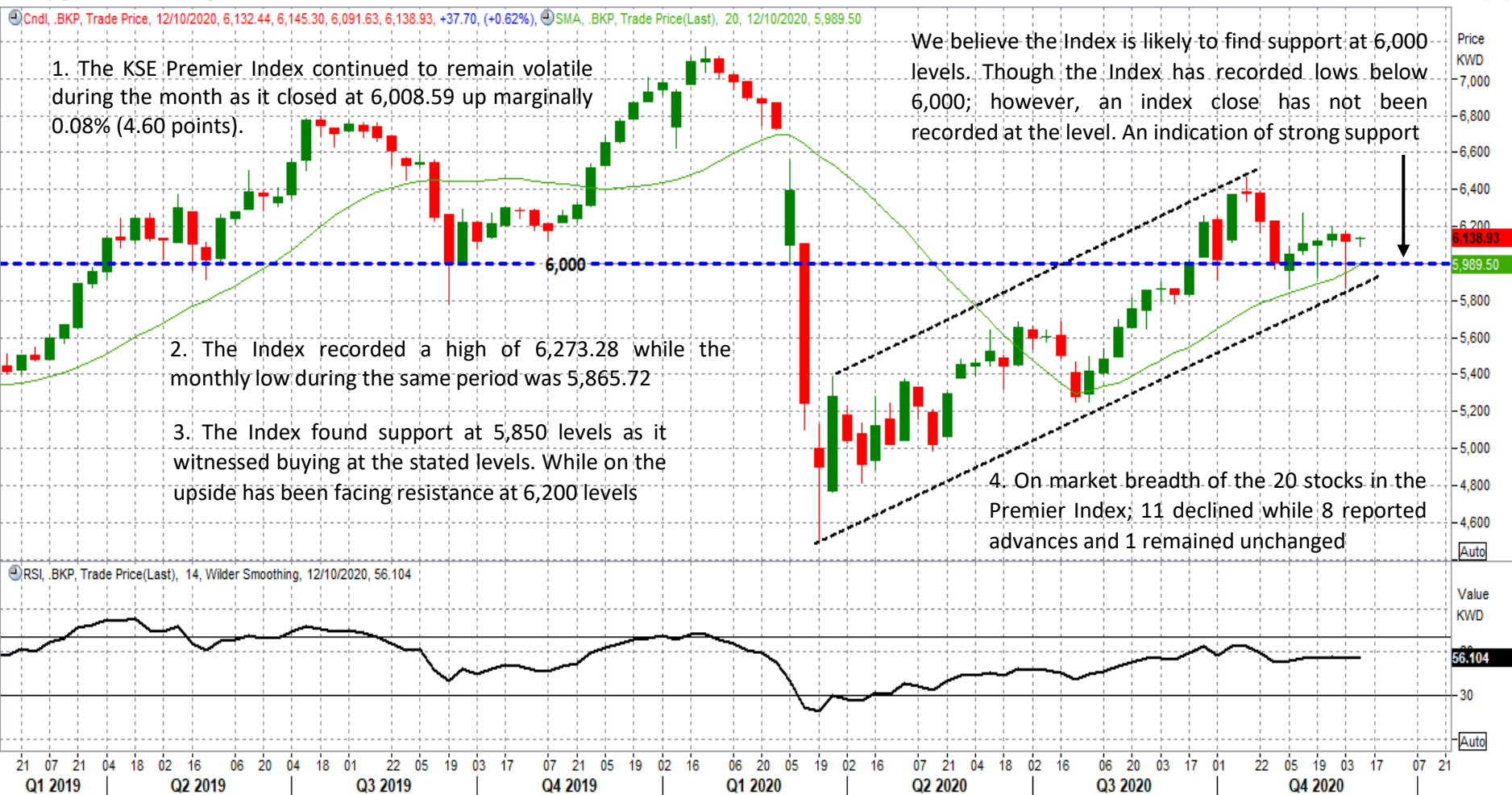
We believe the Index is likely to find support at 6,000 levels. Though the Index has recorded lows below 6,000; however, an index close has not been recorded at the level. An indication of strong support

2. The Index recorded a high of 6,273.28 while the monthly low during the same period was 5,865.72

3. The Index found support at 5,850 levels as it witnessed buying at the stated levels. While on the upside has been facing resistance at 6,200 levels

4. On market breadth of the 20 stocks in the Premier Index; 11 declined while 8 reported advances and 1 remained unchanged

RSI, .BKP, Trade Price(Last), 14, Wilder Smoothing, 12/10/2020, 56.104



# Key Contacts

KFH Capital

**Investment Research Department**  
KFH Capital Investment Company

Telephone : +965-22987000

Fax : +965-22491151, 22987003

Email: [ird@kfhcapital.com.kw](mailto:ird@kfhcapital.com.kw)

Company: [www.kfhcapital.com.kw](http://www.kfhcapital.com.kw)

# Important Notice – KFH Capital

**This information is only intended for the client and should not be passed on to any other person.**

This presentation is provided for information purposes only on the express understanding that the information contained herein will be regarded and treated as strictly confidential. It is not to be delivered nor shall its contents be disclosed to anyone other than the entity to which it is being provided and its employees without the prior written consent of KFH Capital Investment Company K.S.C.C. (“**KFH Capital**”).

Moreover, it shall not be reproduced or used, in whole or in part, for any purpose other than for the consideration of the financing or transaction or services described herein, without the prior written consent of KFH Capital. The information contained in this presentation does not purport to be complete and is subject to change. This is a commercial communication. The presentation does not include a personal recommendation and does not constitute an offer, or the solicitation of an offer for the sale or purchase of any financial product, service, investment or security.

Whilst every care has been taken in preparing this document, no member of KFH Capital gives any representation, warranty or undertaking and accepts no responsibility or liability as to the accuracy or completeness, timeliness or correctness of the information set out in this document. All views, opinions and estimates contained in this document may be changed after publication at any time without notice. Past performance is not indicative of future results. For the avoidance of doubt, our duties and responsibilities shall not include tax advisory, legal, regulatory accounting or other specialist or technical advice or services. You are to rely on your own independent appraisal of and investigations into all matters and things contemplated by this presentation. By accepting this presentation, you agree to be bound by the foregoing limitations. Kindly note that this presentation does not represent an offer of funding since any facility to be granted in terms of this presentation would be subject to KFH Capital obtaining the requisite internal and external approvals.

This presentation is not intended for the use of retail clients and must not be acted on or relied on by persons who are retail clients. Any investment or investment activity to which this presentation relates is only available to persons other than retail clients and will be engaged in only with such persons. Persons into whose possession this presentation comes are required by KFH Capital to inform themselves about and to observe any such restrictions.

© KFH Capital K.S.C.C. All rights reserved.